

NameSilo Technologies Corp. Announces 2019 Q1 Results Record Quarterly Revenue

CSE: URL / OTC: URLOF

Revenues up 160% from Q1 2018

VANCOUVER, May 31, 2019 /CNW/ - NameSilo Technologies Corp. (CSE: URL) (PINKSHEETS: URLOF) (the "**Company**"), one of the fastest growing domain registrars in the world, is pleased to announce the financial results for the Quarter ending March 31, 2019. The financial statements and related management's discussion and analysis ("MD&A") can be viewed on SEDAR at www.sedar.com.

"Since our acquisition of NameSilo on August 1, 2018, we have executed on our initial objective to significantly grow the customer base to over 2.85 million active domains under management. With a strong customer base behind us, we are moving forward on our next objective to integrate a one-stop shop for essential services related to our domains. To date, we have added web hosting and e-mail and look forward to rolling out additional services throughout the calendar year," said Kristaps Ronka, CEO of Namesilo LLC.

Q1 Operation Highlights of NameSilo LLC (Operating subsidiary):

- **Record revenue.** NameSilo LLC recorded revenues of \$6,487,043 in Q1 2019 compared to \$2,498,205 in Q1 2018, up 160%
- **Strong Cash Generation.** Net cash provided by operating activities was \$2,111,937
- **Strong Customer Base.** NameSilo is the 15th Largest Domain Registrar in the world. As of the date of this news release, NameSilo has over 2.85 million active domains under management with customers in approximately 160 countries.
- **Robust Customer Growth.** Namesilo was the fifth fastest growing registrar in 2018 with the addition of 1,257,207 net new domains representing 105% growth for the year.
- **Loyal Customer Base.** NameSilo maintains a customer retention rate of approximately 87%. Customer loyalty is driven by excellent customer service, array of services and affordable and consistent pricing.
- **New Value Added Services.** Successfully launches Web hosting and e-mail as value-add offerings.

Q1 Financial Highlights of the Company:

- Revenues of \$6,487,043 for fiscal Q1 2019. 87% of these revenues were driven by existing customers.
- Gross Margin of \$763,923, being 11.8%.
- Adjusted EBITDA* of \$242,531.
- Net Loss of \$934,509.
- Total Bookings* of \$6,358,171.

During the three months ended March 31, 2019, the net cash provided by operating activities was \$1,942,363, which resulted in a significant increase in cash from \$1,299,847 at December 31, 2018 to \$3,590,776 at March 31, 2019.

The net rebate for 2019 Q1 has not been received and was received subsequent to March 31, 2019. These rebates are credits offered by registries for the domain registrations and renewals and relate to future performance obligations of the Company. As such, they are amortized over life of the domain names and offset against the cost of sales. Upon receipt, the rebate will be recorded as

credits against the cost of sales during the 2019 fiscal year.

The Company had a net loss during the three months ended March 31, 2019 of \$934,509 compared to a net loss of \$931,199 for 2018. The increased loss is primarily due to non-cash costs, such as the interest and loan accretion expense of \$564,221 (2018 - \$nil), amortization of equipment and intangible assets of \$613,656 (2018 - \$nil), non-realized loss on investments of \$71,600 (2018 - \$873,444), and the share-based payment of \$57,357 (2018 - \$nil)

The 2019 Q1 revenues have remained consistent as 2018 Q4 even though the number of domains under management have increased, as a result of a promotion of lower renewal prices offered to customers during the current fiscal period.

NameSilo Technologies CEO Paul Andreola stated, "NameSilo LLC continues to build a track record of strong growth, both in domains under management (now over 2.85 Million), as well as demonstrating an over 150% growth in revenue (Q1 2018 over Q1 2019) and an increase in our cash position of over \$1.9 million in 3 months. This growth is attributed to the excellent technical team at NameSilo LLC providing best in class support and services while expanding our core offerings to our client base of over 270,000 customers."

The Company's focus in 2019 will be to offer an extensive set of new easy-to-use cloud-based technology products that will enable NameSilo customers to establish a digital presence and connect with their customers. The Company believes that these new products will further increase core revenues and margin growth for NameSilo, improve customer retention and improve the value proposition to the customer base.

About NameSilo Technologies Corp. and NameSilo LLC

NameSilo Technologies Corp. invests its capital in companies and opportunities which management believes are undervalued and have potential for significant appreciation. The company makes investments in both public and private markets and focuses on opportunities in a wide variety of industries excluding the resource and resource service sectors. Brisio does not invest on behalf of any third party and it does not offer investment advice.

NameSilo LLC is a low-cost provider of domain name registration and management services. As an accredited ICANN registrar, NameSilo is one of the fastest growing domain registrars in the world with approximately 2.78 million active domains under management, and over 270,000 customers from approximately 160 countries.

Disclaimer for Forward-Looking Information

Certain statements in this news release are forward-looking statements, which reflect the expectations of management regarding potential future investments by the Company. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause the Company's actual results to differ materially from those expressed or implied by the forward-looking statements.

****Non-IFRS Financial Measure***

Readers are cautioned that "Adjusted EBITDA" and "total bookings" are measures not recognized under IFRS. Adjusted EBITDA is defined as earnings before interest income, taxes, depreciation

and amortization, share-based compensation, restructuring costs, impairment charges and other non-recurring gains or losses. Management believes Adjusted EBITDA is a useful measure that facilitates period-to-period operating comparisons. Total bookings includes the full amount of cash received from new domain bookings, renewals and other related services. Whereas, under IFRS, the Company records revenue from domain booking and renewal fees on a straight-line basis over the life of the contract term. However, the Company's management believes that "total bookings" provides investors with insight into management's decision-making process because management uses this measure to run the business and make financial, strategic and operating decisions. Further, "total bookings" also provides useful insight into the Company's operating performance on a yearly basis. "Total bookings" do not have standardized meanings prescribed by IFRS and therefore may not be comparable to similar measures presented by other issuers. Readers are cautioned that "Adjusted EBITDA" and "total bookings" are not an alternative to measures determined in accordance with IFRS and should not, on their own, be construed as indicators of performance, cash flow or profitability.

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